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CONGRESSIONAL RECORD — HOME

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twice as large as those of the Soviet Union in 1965. Since then, the situations have reversed.

Technological supremacy traditionally has been a strong U.S. suit, and remains so in many areas. The day has passed, however, when U.S. scientific ascendancy can be taken for granted. Soviet efforts already equal our own in several respects, surpass us in others, and exhibit strong momentum.

In other words, they are gaining all along the line. It is not a pleasant picture. It is one we must accept as realistic and gird ourselves to provide a defense which will provide for America's security in the years ahead. It can only be achieved through more adequate funding than we have provided in recent years.

Mr. EDWARDS of Alabama. Mr. Chairman, I yield 10 minutes to the very able gentleman from Virginia (Mr. ROBINSON).

(Mr. ROBINSON asked and was given permission to revise and extend his remarks.)

Mr. ROBINSON. Mr. Chairman, much has already been made of the fact that this bill is substantially at the budget target with regard to the figure that has been suggested of \$106.8 billion, and that by the time we get through considering the amendments regarding unauthorized items that will be offered we are going to be substantially at that figure.

I think it is interesting to look at the trend in the Defense Department budget from 1976 until the one we are considering today. In the area of military personnel, active and retired, which is, of course, about one-third of what we are looking at, we find that the budget has not increased significantly. It has gone up only \$1.2 billion from the level of 1976 to a level of what adds up to \$33.9 billion at the present time. This, of course, does not include the figure that will be necessary to add when we get the first pay supplemental; but the important thing to note is that it has not gone up significantly.

In operation and maintenance, the same thing is true. There is enough in the bill to take care of the increase of doing business and a little bit more, mainly we are way behind in our shipbuilding maintenance and overhaul.

It is only when we get down to title IV and we begin to look at procurement that we really find a significant increase in the amount of money over and above the amount in the 1976 bill. Here we do find a real increase. It adds up to a total of \$8.1 billion; but with good reason; because in recent years we have been falling farther and farther behind our potential enemies in terms of providing our military personnel with the hardware they need to fight a winning war, if it becomes necessary to do so.

Mr. Chairman, I would like to return for a moment to the area of military personnel and discuss the category of retired military personnel. In this area we are finding that the budgeted amounts are increasing at a rapid rate that is becoming of more and more concern. I think we are going to have to look carefully at our retirement program in future years in order to keep it from ex-

panding at a rate which we will not be able to afford.

In RDTE—research, development, test and evaluation—we find again that the increase is about in line with what we would expect in order to keep up with the cost of doing business, or about 10 percent.

Now, in terms of military end-strength—the amount of people that we are going to have in the Armed Forces—we find that we are looking at an Army of 785,000 men, which includes 16 divisions, 6 separate brigades and 3 armored cavalry regiments.

We have a Navy of 532,000. That means 489 ships, as compared with 496 as far back as just 1975.

Marines: 195,000 strength.

Air Force: 579,000.

This adds up to a total of 2.1 million people in uniform, as projected by the fiscal year 1977 budget. It is interesting to note that for every two persons in uniform, we still have a civilian employee. Including foreign nationals, DOD will have 1,035,000 civilian employees in 1977.

A few of the particular items that are going to be of important consideration as we go through this bill are, first, the Navy shipbuilding program. As we are all aware, the excessive operating requirements of the Vietnam conflict required the Navy divert a large portion of funds, funds which would normally have been used to replace its aging ships, to the maintenance and operation of the fleet. Our older ships become obsolete and unable to maintain and, as a result, the country has experienced a dramatic shrinkage in the size of its operating fleet.

The Navy has had to retire many of the older ships from active service while, at the same time, under fiscal restraints, building an average of only 11 or 12 replacement ships per year over the past several years. The combination of these two factors has meant that we have now seen a reduction from a recent high of 976 ships in 1968 to a projected level of only 475 ships at the end of this fiscal year, a reduction of 51 percent. This results in the lowest total active fleet number since well before World War II.

Last year, 15 new ships were funded for construction. For fiscal year 1977, including the May 10, 1976, budget amendment, the Navy has requested that we appropriate funds for 21 new fleet units. Unfortunately, the shipbuilding amendment arrived too late to be considered by the committee, as was mentioned by the gentleman from Alabama, and in the bill before the House today we recommend appropriations for all 16 new ships in the original fiscal year 1977 budget, plus advance procurement for a fourth nuclear-powered aircraft carrier. The importance for going in this direction now to what we see in this country is exemplified by an article which appeared in the Chicago Tribune under date of June 5, with a Tokyo date-line:

A Japanese white paper on defense, the first Japan has issued in six years, says the United States has been replaced by the Soviet Union as the predominant military power in the Far East.

A 26-page English language summary of the white paper shows the Soviet Union with 120 warships in the Pacific while the U.S. 7th fleet has 60.

A few days ago the Chief of Naval Operations, Admiral Holloway, made a talk and laid to rest some of the myths that have been broadcast with respect to the situation that exists today regarding the Navy. He said:

There is a myth that says that the U.S. Navy is outbuilding the Soviet Navy. In reality the situation is this: In the past fifteen years since the Soviet Naval buildup began, the Soviets have delivered to their fleet a total of 1,312 naval vessels and logistic ships. During this same time the U.S. Navy has delivered a total of 326 new ships.

He goes on to say:

A second point to be made is that the United States is not engaged in a shipbuilding race with the Soviets. What we are determined to do is to maintain maritime superiority in the face of Soviet expansion. Shipbuilding is a part of this.

Another matter of significant concern and cost, since it adds to the total of \$1.5 billion in this bill, is the matter of the B-1 bomber. Of this total, and for the first time, funds are provided to procure the first three production versions—aircraft for our operational inventory—of this new bomber. This is the year for the decision on whether or not the B-1 is needed to replace the aging B-52. The committee is recommending the full amount requested by the Air Force and has decided that we need the B-1. We will hear a great deal more about that when we get to the 5-minute rule.

Finally, in terms of specific matters in the budget, our intelligence program, which has been under such serious and severe scrutiny by the Congress, the committee has continued its vigorous review of intelligence programs, making reductions of \$101.4 million in the fiscal year 1977 intelligence budget. Additional reductions totaling \$20 million were made in intelligence-related budgets and programs.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. EDWARDS of Alabama. Mr. Chairman, I yield 2 additional minutes to the gentleman from Virginia.

Mr. ROBINSON. The committee has taken a significant step by providing a separate appropriation of \$5.6 million for intelligence community oversight. These funds will support the intelligence community staff and the U.S. Intelligence Board, which were previously funded in the CIA budget. Providing a separate funding source should, and I think will, increase the independence and the vigor of these two institutions.

Mr. Chairman, I feel that we have brought to the Members to day a bill which will turn the corner, as our chairman has said, in terms of getting us back into a position where we can again be certain that our defense system is ready to turn back any threat against us.

Mr. MAHON. Mr. Chairman, I yield such time as he may require to the distinguished gentleman from Pennsylvania (Mr. FLOOD).

(Mr. FLOOD asked and was given permission to revise and extend his remarks.)

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be in a position to contradict anything our former Secretary of Defense has said, but we have been briefed on the B-1 program.

Let me say first that we are faced with the very hard, and real decision now, which is this: Do we buy the B-1 bomber? There is also the first question, do we need an advanced manned bomber?

If we say yes, then we have another alternative: Whether we are talking about a stretchout of the FB-111 or whether we are talking about extending the life of the B-52 which is already stretched as far as it can go.

First we have to decide whether we want another bomber. Once the decision is made, we are locked in. We must procure the B-1.

Yes, it will cost a minimum of \$100 million to stretch out for a very brief time, maybe 6 months, the procurement of the B-1.

It is very difficult to come up with hard-and-fast figures, because of the game played within the Department of Defense and played by the manufacturers also.

If one asks, what is the price of an airplane? I could give six different prices as to what that airplane costs, and each one is true.

It depends on how you ask the question, whether you mean fly-away costs, with or without Government furnished equipment, whether you are talking about the total program and so forth, which the Members are probably all familiar with.

Mr. Chairman, if I might, in the short time left, go on and present one other little problem and that is that there is a tremendous area in which we are far behind and where we need the money, and this committee has provided the money, and that is in the area of research and development. We have fallen behind our adversaries, the Russians, in the total amounts spent for R. & D. That is the best intelligence estimate that we have been given and we have nothing to contradict it.

The CHAIRMAN pro tempore. The time of the gentleman has again expired.

Mr. EDWARDS of Alabama, I yield 2 additional minutes to the gentleman from Alabama.

Mr. DICKINSON. Mr. Chairman, it is in this area of research and development that one cannot turn it on and off. In procurement, yes, you can put more men on the job and you can build more airplanes, perhaps, and maybe turn out more ships, and you can build more of whatever you are going to build once you know what it is that you are going to build and you get the plans and specifications, the engineering drawings, and so forth, but it is not possible to turn it on and turn it off and go up and down in effort in the area of research and development.

And in technology we do, in fact have, and it is truly conceded, at this time a lead over the Soviet Government but it is a diminishing lead. They are spending more money, very large amounts more each year in their R. & D. to over-

come their deficiency, than we are. If we do not go forward with whatever is necessary to maintain our lead when the graphs are crossing, now, then we will have an irretrievable lag or gap, and this is according to Dr. Curry, who is head of our entire DOD research and development effort, in the very near future.

The problem is that it costs so much that we cannot afford our technology. For instance, the SR-71 airplane. We have an airplane now that flies past mach .III, it is no secret. It broke the international speed record from New York to London at the last international air show. Members of our committee were there to see it come down and land and we were very proud, as Americans, that we were able to do this. It flew from New York to London in less than 2 hours. It flew so fast that it had to go over the Baltic Sea and slow down and cool off before it came down to land, because it had a skin temperature of over 800 degrees.

If we were to fire a 30.06-rifle bullet at the same time that that airplane left New York City, and that bullet maintained its speed, the airplane would beat the bullet there by 17 minutes.

So, Mr. Chairman, I support the bill and urge the Members of the House to support the budget presented by the committee here, and I will later ask for certain specific changes or amendments.

The CHAIRMAN pro tempore. The time of the gentleman has again expired.

Mr. MAHON. Mr. Chairman, I yield 10 minutes to the gentleman from New York (Mr. ADDABBO), a member of the committee.

(Mr. ADDABBO asked and was given permission to revise and extend his remarks.)

Mr. HILLIS. Mr. Chairman, will the gentleman yield?

Mr. ADDABBO. I yield to the gentleman from Indiana.

(Mr. HILLIS asked and was given permission to revise and extend his remarks.)

Mr. HILLIS. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I want to commend my colleague, the gentleman from Alabama (Mr. DICKINSON) for focusing the attention of the House on the escalation of cost figures brought about through procurement methods as a result of stretchouts as set by the Congress.

In many areas we are badly behind in the production of adequate amounts of conventional weapons systems in comparison with efforts being made by the Warsaw Pact nations. Such an example may be shown in our tank inventory where by conservative estimates we are behind by 4-1 tanks in the field and by 2-3 tanks in annual production rates.

In the past when a national emergency has forced conversion from normal manufacturing pursuits to wartime production, our country has responded most adequately. For instance, during World War II, 17 tank producers were able to meet our needs with the assistance of 38 foundries which supplied them with necessary castings. Today, however, the all important foundry industry is becoming a casualty of Government reg-

ulations through OSHA and EPA. Slowly but surely their demise will cause a large number of other important industries to close their doors. This fact has drastic implications on our future ability to produce during periods of need.

Casting represents the beginning of all manufacturing processes. The sudden loss of the relatively small number of foundries producing strategic castings could result in the shutdown of the entire U.S. manufacturing complex. This would be critical during a time of national emergency. If the foundry industry is to survive in a viable way, it appears there must be some relaxation of overregulation, which could lead to economic suicide in the United States.

May I suggest that the following points be considered by the Congress as possible approaches to the present difficulties experienced by the foundry industry:

First. A 5-year moratorium, with qualification, on EPA, OSHA, and similar legislation affecting foundries;

Second. Conduct economic impact studies for the foundry industry by an agency other than those who set standards;

Third. Conduct realistic economic studies as to what level of efficiency is the most practical to achieve;

Fourth. Quick writeoff or other subsidy for the extraordinary high costs of environmental control;

Fifth. Investment allowance and accelerated writeoff for capacity expansion; and

Sixth. Establishment of an industry advisory committee whose members are knowledgeable of the industry and whose recommendations would be fully recognized and accepted with the attitude of encouragement for the industry and the country's economic balance.

Mr. ADDABBO. Mr. Chairman, I first wish to take this opportunity to commend the chairman of our subcommittee, the gentleman from Texas (Mr. MAHON), and the ranking minority member, the gentleman from Alabama (Mr. EDWARDS); and all of the other members of the subcommittee for their outstanding efforts in spending so many hours in conducting the hearings. I also wish to take this opportunity to commend our outstanding staff that is headed by Ralph Preston, for their expertise and their untiring efforts.

Mr. Chairman, the committee has broken significant new ground this year by providing in title VIII a separate appropriation of \$5.6 million for "intelligence community oversight." This is the first time the appropriations committee has ever identified any part of the intelligence budget.

By providing this separate appropriation, the committee hopes to assure that the intelligence community staff is absolutely independent. It should not be beholden to the CIA, or the NSA or any other element of the intelligence community. It should be able to knock heads together where necessary. It should reduce overlap and duplication.

All these actions will be unpopular and will require difficult decisions. This can only be achieved if the intelligence com-

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munity staff has its own appropriation. Without control of its own budget, the intelligence community staff could be intimidated by the CIA or whoever funded its program.

Like many other Members, I believe the entire intelligence budget could be made public without harm to the national security. The Congress has not chosen to follow that path, but the committee has agreed to provide for strong, effective oversight by providing for a separate appropriation for "intelligence community oversight." I strongly applaud this action, and believe the committee should receive great credit for taking this first step toward assuring vigorous oversight of the intelligence community.

Mr. Chairman, I believe in a viable national defense system, just as I believe in giving little children health food. But what we have done in this budget is to pervert the process. We have not provided a strong defense budget, we have advocated gluttony. We have provided so much money that in many cases the service would not be able to spend all of it if we appropriated it. We have also endorsed spending heavily on some programs, that, as of the moment, have dubious futures.

Later, when I and others on the Defense Appropriations Subcommittee offer amendments which would cut back slightly on the gluttony, I am certain others will rise to protest loudly. They will claim that these amendments will cut the guts from the defense budget and render the United States vulnerable to attack from our enemies. I am sure that those who will make those statements will believe that to be the case; Lord knows they made it often enough throughout the extensive hearings we held in subcommittee.

But the facts of the matter do not bear out that contention. The United States has a commanding lead over the Soviet Union in critical areas. Let me give you some examples. The United States has 8,500 strategic nuclear weapons compared with 2,500 for the Soviet Union. In intercontinental bombers, the United States has over 400, while the Soviets have 160 but without the necessary refueling planes. We have 1,100 fixed-wing planes at sea, whereas the Soviets have none at all.

We are doing very well in our defense posture, my colleagues, so well, in fact, that we could be called a veritable arsenal.

Certainly there are areas of our national defense posture that need to be improved and upgraded. We must continue to do the research necessary to keep our weapons supply up to date. We must continually refine our on-line services to keep abreast of developments throughout the world for we must meet other threats than nuclear warfare from a nation nearly our equal in power.

But we do not need to spend ourselves into ruin to accomplish this. We are spending more money than at any other time in our history for defense, and at a time when our Nation is at peace and shows every sign of staying at peace for the foreseeable future.

You and I know full well why we are presented with such a top-heavy defense

budget this year. It has to do with domestic politics far more than it does with international threats to our security. Well, I for one say that the Congress has the obligation to look at the facts as they exist, not just as some would portray them to be for their own political advantage.

This budget could be cut by \$8 billion and not harm a single critical program. This is the only appropriation including a \$7 billion inflation factor. It will not be cut that extensively, though it ought to be. I will be satisfied if we can eliminate some of the more frivolous spending programs contained in this bill. I would be happy if we could delay spending billions for a B-1 bomber that will not have its avionics tested for at least 3 years and which has yet to satisfactorily complete its preliminary testing program. I would be happy if we could delay the procurement for the Trident missile which has experienced so many test failures. I would be happy if we would eliminate billions from this year's budget that the Defense Department accountants have squirrelled away in unobligated fund accounts.

We have before us in this budget billions of dollars which will be wasted in programs which have no need to be implemented. They are not vital to our national defense, and there is some question whether some of them even work. We have volumes of testimony which are the greatest testimonial to rewarding waste and inefficiency.

Billions of dollars for other programs of importance to our citizens will be lost if we accept this bill as it is brought to the floor. I would hope that you would join with me later when these amendments are offered in cutting back the spending level of this bill to a point where we can look the American people in the face and say, "We have been prudent and careful but we have not been wasteful."

Like a healthy child who has been fed too much of the good foods, the Pentagon budget this year is so swollen that it cannot be sensible to let it remain as it is. I urge you to listen to the debate carefully, to read the committee report and the separate views, to look over carefully the factsheets that many of you have received, and to support the perfecting amendments when they are offered.

Mr. GIAIMO. Mr. Chairman, will the gentleman yield?

Mr. ADDABBO. I yield to the gentleman from Connecticut.

Mr. GIAIMO. I thank the gentleman for yielding.

The gentleman will agree that the separate independent appropriation of \$5.6 million for necessary expenses for intelligence community oversight is a worthwhile effort to get some independent oversight over the intelligence community, including not only the CIA but all of the other facets of the intelligence community. Nevertheless, the fact remains that this oversight is done by the DCI or the Director of Central Intelligence, who is the man in charge of all intelligence operations. In a real sense

he coordinates them all. Nevertheless, the fact remains that this oversight which is being done by the DCI is in fact being done by the man who also, when he puts on his other hat, is the head of the CIA.

Mr. ADDABBO. I fully agree with the gentleman from Connecticut.

Mr. GIAIMO. If the gentleman will yield further, then we should not be carried away into believing that we are going to get a real independent oversight over the intelligence agencies. In other words, the oversight over the intelligence agencies, while it now has a separate appropriation, will be done by the gentleman who is the head in fact of the CIA, and that is sort of merely an internal oversight.

Mr. ADDABBO. I fully agree with the gentleman from Connecticut, who has been an outstanding spearhead in this fight. The only reason I pointed this out this morning is that I believe this is a 100-percent turnaround from where we were last year when the gentleman led the fight.

Mr. MAHON. Mr. Chairman, I yield such time as he may consume to the gentleman from Georgia (Mr. FLYNT), a member of the committee.

(Mr. FLYNT asked and was given permission to revise and extend his remarks.)

Mr. FLYNT. Mr. Chairman, I of course support the committee recommendations contained in the Defense Appropriation bill; it is explained fully and extremely accurately in the 228-page report which accompanies this bill.

This Defense appropriation bill carries the largest dollar amount ever carried in a Defense Appropriation bill in war or peacetime. Let me explain that during a part of the period of 1942 through 1945 there were certain fiscal years in which the total funds appropriated for a given fiscal year exceeded the amount in this bill but those amounts were the result of a combination of two or more separate appropriation bills, where this appropriation bill for the Department of Defense carries the largest single amount ever contained in a single bill for the Department of Defense.

Mr. Chairman, the committee has not arrived at the component parts of this bill hastily and without due consideration. I think that a careful reading of the report, especially when it is compared with the budget request, will show that the subcommittee through long hours of diligent and tireless effort and work has come forth with a bill which the committee was proud to recommend to the full committee and which the subcommittee and full Committee on Appropriations recommended to the House today. The Subcommittee on Defense Appropriations did not take the budget as submitted by the President and the Office of Management and Budget without modification resulting from hearings and the application of years of expertise in the field of defense appropriation.

Mr. Chairman, at the proper time I will ask permission to include certain portions of the committee report as a part of these remarks. These will show that there were substantial reductions recommended by the Subcommittee on Defense Appropriations.

M. Knobke also
received a copy
of this.

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STATINTL

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Legislative Counsel 7D49 HQ				
TO: (Officer designation, room number, and building)	DATE		OFFICER'S INITIALS:	COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)
	RECEIVED	FORWARDED		
1. Director				Yesterday, 17 June, the House began consideration of the Defense Appropriations bill. Attached are those excerpts from the debate which relate to the [redacted] appropriation for IC oversight.
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